

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

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TABERNA CAPITAL MANAGEMENT, LLC,

Plaintiff,

- against -

SIDNEY B. DUNMORE, MICHAEL A. KANE,  
and DHI DEVELOPMENT f/k/a DUNMORE  
HOMES, LLC,

Defendants.

08 Civ 1817 (JSR)

**ORAL ARGUMENT REQUESTED**

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**DECLARATION OF MICHAEL A. KANE IN SUPPORT OF MOTION TO (1) DISMISS  
FOR LACK OF PERSONAL JURISDICTION; OR IN THE ALTERNATIVE (2) TO  
DISMISS OR TRANSFER FOR IMPROPER VENUE; OR IN THE ALTERNATIVE (3)  
TRANSFER FOR CONVENIENCE TO THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF CALIFORNIA, SACRAMENTO DIVISION**

I, Michael A. Kane, hereby declare under the penalties of perjury:

1. I reside in Gold River, Sacramento County, California. All of my business is conducted within the State of California.

2. I am informed and believe that defendant Sidney Dunmore is a resident of Granite Bay, Placer County, California.

3. Defendant DHI Development f/k/a Dunmore Homes, LLC's ("Dunmore CA") place of business is located in Granite Bay, Placer County, California.

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4. I am the sole shareholder of Dunmore Homes, Inc., a New York Corporation "Dunmore NY"). Dunmore NY, whose principal place of business is California, was incorporated in New York in or around August, 2007. Dunmore NY and Dunmore CA negotiated and executed an agreement, pursuant to which Dunmore CA's assets and liabilities were sold to Dunmore NY. That agreement was negotiated and executed in or around Sacramento, California. Furthermore, Dunmore NY's assets are located in California, and it does not conduct any business in New York. Finally, the employees of Dunmore NY and all documents related to the Dunmore NY's business dealings are located in California. Dunmore NY is not a party to this action.


5. I am informed and believe that Plaintiff Taberna Capital Management, LLC, is a Delaware LLC, with its principal place of business in Philadelphia, Pennsylvania.

6. I do not conduct or transact any business in New York. The extent of my contacts with New York is limited to the fact that I am the sole shareholder, and an officer of Dunmore NY. However, as noted above, Dunmore NY is not a party to this action; Dunmore NY's assets are located in California; and its business is conducted in California, not New York. Other than being the sole shareholder and an officer of a non-party New York corporation that does no business in New York, I have no business or systematic contacts with New York. Furthermore, I am not a party to the contract that Plaintiff is suing on. I have not contracted to provide any goods or services within New York.

7. I have never been present in New York. I have never maintained an office in New York, and never solicited business in New York. Furthermore, I have not employed any employees or agents in New York. Finally, I do not have any personal assets in New York; specifically I do not have any bank accounts in New York or any real property in New York.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on this 8 day of March, 2008, in Salt Lake City, California.

A handwritten signature in black ink, appearing to read "Michael A. Kane", written over a horizontal line.

Michael A. Kane